

STAND. COM. REP. NO.

2178

Honolulu, Hawaii

FEB 11 2008

RE: S.B. No. 2867
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Tourism and Government Operations, to which was referred S.B. No. 2867 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE, "

begs leave to report as follows:

The purpose of this measure is to provide that any false information or misrepresentation knowingly placed in a bid or a proposal shall be a basis for not awarding the bid or contract to that person, and to subject that person to a mandatory suspension from bidding on any contract for one year.

Your Committee received testimony in support of this measure from Department of Accounting and General Services; State Procurement Office; Global Education Trust; Archinoetics, LLC; Produced By You.com, LLC; and PacifiCap Group.

Your Committee finds that, although the public procurement code was established to help ensure fair and ethical procurement practices, in some instances, the information contained in a bid or proposal may not be truthful, and the bidder may not be honest about placing the information in the bid or proposal. This measure discourages such deviant practices. The intent of this measure is to protect public moneys from being expended based on wilful misrepresentation.

Your Committee has amended this measure by:

2008-1199 SSCR SMA.doc



- (1) Making the measure apply also to professional services procurements, sole source procurements, small purchase procurements, and emergency procurements;
- (2) Applying the measure to affiliates of the offeror; and
- (3) Making technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Tourism and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2867, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2867, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Respectfully submitted on
behalf of the members of the
Committee on Tourism and
Government Operations,


CLARENCE K. NISHIHARA, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Tourism and Government Operations
TSG

Bill / Resolution No.:* SB 2867	Committee Referral: TSG, JDL	Date: <i>2-05-08</i>
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The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)	/			
KIM, Donna Mercado (VC)	/			
TSUTSUI, Shan S.	/			
TRIMBLE, Gordon	/			
TOTAL	<i>4</i>			

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes